Pending California Outsourcing Bills

Carey S. Barney Lord, Bissell & Brook LLP May 13, 2004

- AB 664 Would require a person or entity conducting business in California that shares personal information with offices, affiliates, subcontractors, or subsidiaries outside of the United States to disclose to the customer information about the information shared, including the category of personal information, and country where the information is or may be shared.
- AB 1829 Would prohibit a state agency or local government from contracting for services with a contractor or subcontractor unless that contractor or subcontractor certifies under penalty of perjury that the work contracted for will be performed solely with workers within the United States. Certain exceptions apply.
- AB 2163 Would require any person or entity hired by a provider of health care for the purpose of transcribing medical records to disclose to the provider all contractors or subcontractors that the person or entity uses to perform that function and whether any of the medical records will be sent offshore to other countries for transcribing or processing.
- AB 2449 Would require each state agency and recipient of state funds to give preference for contracts of \$100,000 or more to vendors, contractors, subcontractors, or other suppliers who provide written certification that the vendor, contractor, subcontractor, or supplier performs the work in the United States for information technology services, unless a state of emergency is declared by the governor.
- AB 2715 Would require a person or entity conducting business in California that contracts with a customer sales call center or a customer service telephone bank, as defined, to include a provision in the contract that requires a customer service employee to disclose at the beginning of a telephone call whether the employee is in a call center or telephone bank located outside of the United States and whether the call is being monitored or will be reviewed by a person located outside of the United States
- AB 3021 Would require an employer to include in its wage and contribution reports information relating to the number of individuals employed or hired as independent contractors in California, outside of California but within the United States, and outside of the United States during each reporting period. This information would be posted on state government web sites.
- SB 1451 Any person located outside of California who has access to information that is protected pursuant to a California privacy law shall treat that information with the same care that would be required of a party who is subject to any such privacy laws, and may be sued in California in an action for civil damages by any California resident. Any business subject to California privacy laws that outsources the processing of personal information to persons who are located outside of the US shall disclose this fact to its customers.

SB 1452 - Would prohibit the State of California from contracting with any individual or entity that employs persons or subcontractors outside the United States in order to perform that contract.

SB 1453 - Would require any employer that outsources jobs outside the US that would result in the replacement of 20 or more workers in California to give written notice of the contract to the Employment Development Department and the employees based in California whose jobs would be affected by the outsourcing.

SB 1492 - Would prohibit performance of work involving information that is private or "essential to homeland security" at worksites outside the United States, except for transactions "initiated by the consumer" or transactions the consumer opts to have performed at a worksite outside of the United States.